



Executive Summary
Ethnographic Evaluation Final Report
Impact and Synthesis Report
Management Information System Final Report
Process Evaluation Final Report

Summary and Implications*

Background

In 2000, the Employment and Training Administration (ETA) awarded grants to 36 high poverty urban, rural, and Native American¹ communities to provide services – including education, employment, support, and leadership development – to youths ages 14 to 21. The objective of this initiative – known as the Youth Opportunity (YO) Grants – was to concentrate a sufficient level of funds in high poverty areas to improve the long-term educational and employment outcomes of youth living in these areas and to serve a high enough proportion of those youth to positively affect peer pressure. Additional components of the YO model, as formulated by the evaluation team, included: (1) establishing at least one Youth Opportunity Center, which provided a safe and accessible place for youths to meet, in each community; (2) developing the potential of youths as citizens and leaders as a means for achieving employment and educational outcomes; (3) encouraging youths to maintain contact and seek assistance, even after they had completed their service plan; and (4) establishing partnerships among public, private, and nonprofit organizations. The findings of the Evaluation of the Youth Opportunity Grant Initiative are presented in four reports and an Executive Summary.

Methodology

The evaluation used two comparison-group approaches:²

1. Fourteen to twenty-one year-old youths in high-poverty, central-city census tracts selected using propensity score matching; and
2. Sixteen to twenty-one year-old youths residing in urban census tracts identified as having poverty rates above 20 percent according to the 1990 Census.

Data on youth residing in the YO communities were obtained through surveys conducted for the evaluation. Data on youth in the first comparison group were drawn from the 2000 Decennial Census (baseline) and the American Community Surveys (follow-up). Data from the Current Population Survey (CPS) were used for the second comparison group. A supplementary analysis of YO's impacts on college enrollment was conducted using data on receipt of Pell grants. Impacts were estimated using double differences.

* This Summary and Implications was prepared by the Employment and Training Administration and does not necessarily reflect the study authors' opinions.

¹The Native American sites were excluded from most of the evaluation and are not discussed in this Summary and Implications.

² Additional comparison group approaches were planned but proved infeasible. See *Youth Opportunity Grant Initiative: Impact and Synthesis Report*, Chapter 2.

Employment and Training Occasional Paper 2008-12

Evaluation of the Youth Opportunity Grant Initiative

There are several notable weaknesses of the approaches that call for caution in interpreting the evaluation's results. First, reviews of comparison-group techniques have generally concluded that comparison-group methods are most appropriate when the comparison and treatment groups are in the same labor market and the same data source is used for both groups. Neither of these criteria could be satisfied in the YO evaluation given the nature of the program. Second, the matching approach was based on groups (census tracts), not individuals. There is limited literature to provide substantive support for the validity of group matching. Third, because the data that were used for the impact analyses captured the characteristics of the entire communities, youths that did not participate in the program were included in the analyses as well as those that did, thereby diluting the effects of YO.

In addition to the impact analyses, the evaluation included an ethnographic study to assess community well-being before and after delivery of YO grant services, analysis of management information system (MIS) data, and a process analysis to document how programs were designed and implemented to meet the employment, training, and educational needs of area youths. Although this summary focuses exclusively on impact findings, the reports on these other components of the evaluation contain valuable insights into the YO communities and the YO model and its implementation.

Findings

The study's findings regarding the impact of YO on the employment and educational behavior of youths residing in the communities are summarized in the following table. To understand this table, it should be noted that, while a lower percentage of youth who are "idle" – defined as not

**Impacts of the Youth Opportunity Grant Initiative
by Estimation Method and Target Group³**

| Method I | | | | Method II | | | |
|----------------------|--------------|-------------|--------------|----------------------|--------------|-----------|-------------|
| Target Group | Idle | In-School | Employed | Target Group | Idle | In-School | Employed |
| Overall | -0.58 | 1.20 | -1.40 | Overall | -3.85 | 2.17 | 2.20 |
| 16-18 | -4.99 | 5.02 | -0.67 | 16-19 | -2.19 | -1.04 | 3.80 |
| 19-21 | -0.15 | 5.17 | -3.39 | 20-21 | -4.77 | 4.11 | 1.70 |
| White (non-Hispanic) | 9.72 | 2.78 | -9.08 | White (non-Hispanic) | -2.26 | 0.51 | -2.50 |
| Black (non-Hispanic) | -3.10 | 2.54 | 2.73 | Black (non-Hispanic) | -4.25 | 0.71 | 5.00 |
| Hispanic | -4.04 | 5.32 | -4.53 | Hispanic | -3.37 | 1.96 | 2.70 |
| Other | 1.76 | 2.26 | -7.02 | | | | |
| Male | -4.60 | 3.40 | -0.85 | Male | -4.09 | 2.41 | 1.10 |
| Female | 1.29 | 4.16 | -4.74 | Female | -3.67 | 1.98 | 3.50 |

Notes: Estimates in **Bold** are statistically significant at the .05 level, two-tailed test
 Method I uses American Community survey data for matched census tracts as a comparison group
 Method II uses CPS data for high poverty urban census tracts as a comparison group
 Impacts are measured in percentage points

³ Source: *Youth Opportunity Grant Initiative: Impact and Synthesis Report*, Tables: 3-16, 3-19, 3-20, 3-21, 3-31, 3-36, 3-40

being in school and not working – is a beneficial impact, whether movement between school and employment is beneficial depends on the effects on long-term earnings. Also, it should be kept in mind that there was a severe downturn in the national economy beginning about the time of the YO baseline survey. Nonetheless, the overall results suggest that, as a result of YO, more youth in targeted communities are in school and fewer are idle.

With regard to subgroups:

- For 16 to 19 year-olds the results indicate a decline in idleness but are ambiguous as to whether the movement is toward enrollment in school or employment.
- For 19 to 21 year-olds, there is a significant increase in the percentage in school and fewer youth are idle.
- For non-Hispanic Whites there is a significant decline in the percentage employed. However, it is unclear whether this is accompanied by a greater percentage in school.
- For non-Hispanic Blacks the results suggest a decrease in the percentage who are idle. Further, it appears that the percentages both in-school and employed increased.
- For Hispanics there is an increase in the percentage in school, coming from declines in both idleness and employment.
- For males there is a movement from idleness to school enrollment.
- For females the results are ambiguous. One method finds a movement from employment to school; the other a movement from idleness to employment. These findings are not necessarily inconsistent. It may be that both effects are present, but the methods disagree on which is dominant.

In addition, it is of note that idleness is, by definition, an out-of-school youth phenomenon and out-of-school youth were a particular focus of YO. Therefore, it is of note that the 3.85 percentage point decline in idleness among all youth really represents roughly an almost fifteen percentage point decrease in the rate of idleness among out-of-school youth.

YO's impacts on educational attainment do not appear to be as robust as the impacts discussed above. Using method I, negative and insignificant impacts on high school graduation were found for Hispanics and males; though the overall impact on high school graduation was statistically insignificant.⁴ Method I also found negative impacts on college enrollment for 16 through 18 year-olds; method II found positive impacts on college enrollment overall and for nearly all subgroups, though none were statistically significant at the 5 percent level.⁵ YO's impact on college enrollment was also examined using data on Pell grant receipt and matched census tracts within the same city as a comparison group. This analysis found that YO increased Pell grant receipt in the urban sites by 3 to 6 percentage points.^{6,7}

⁴ Attainment of a high school diploma was not measured with method II.

⁵ The exceptions were non-Hispanic whites for whom an insignificant negative impact was found and the foreign born for whom the estimate was positive and significant at the 10% level.

⁶ Because this estimate is based on the universe of Pell grant recipients, no test of statistical significance is performed.

⁷ *Youth Opportunity Grant Initiative: Impact and Synthesis Report*, Chapter 3.

Findings from the ethnographic, process and MIS components of the study that shed additional light on the impacts include:

- Unemployment rates and transportation barriers were major factors in whether projects placed youths in jobs, and those factors caused more successful projects to focus on educational attainments to help youths.
- The most common in-school youth interventions were: reading or math remediation, job readiness training, and case-management services. The most common out-of-school youth interventions were: job-readiness training, reading or math remediation, GED preparation or alternative high school classes, and internships or short-term jobs. The primary goal of nearly all programs for out-of-school youth was long term job placement; for in-school youth, the primary goal of nearly all programs was high school graduation.
- Adults and youths alike cited the following employment barriers as being especially acute for youths in the YO target areas: lack of supportive services, such as childcare and transportation, lack of skills among the youths themselves, lack of employed role models in their community, and drug use among youths and adults.
- Adults and youths within the YO communities attributed the program with providing: a safe space for young people, quality youth and adult relationships, enhanced training and education services, and opportunities to be productive.

Implications

The findings suggest that a saturation approach to serving youth in high-poverty urban areas may be successful – at least with regard to educational outcomes. Specifically noteworthy is that:

- YO succeeded in increasing the percentage of youth in high poverty areas who enrolled in post-secondary education. The number of youth residing in urban YO communities who were receiving Pell grants increased by 30 percent between 2000 and 2005 (the period during which YO operated), compared to an increase of roughly 25% in the comparison areas.
- YO succeeded in recruiting and enrolling large numbers of youth in high-poverty areas. The percentage of eligible youth served in each YO site ranged from 20 percent to 68 percent giving an aggregate rate of about 34 percent.⁸ This greatly exceeds comparable rates for other youth programs.
- In support of the youth development framework, ETA constructed a performance measurement and management system that recognized interim progress as well as longer term outcomes. Grantees were encouraged to make data-based management decision by utilizing the ETA performance management system. Through the implementation of the performance management system for the YO grant initiative, ETA learned a number of lessons that have future programmatic implications. First, data and program management are inextricably linked. Second, leadership must embrace and understand the data and use it in their program and front line staff must use it as well. Third, using progress measures in addition to outcome measures is an effective tool that drives performance. Finally, expectations of outcomes do drive performance.

⁸ Not including Native American sites which had penetration rates from 60% to 100%. *Youth Opportunity Grant Initiative: Management Information System Final Report*, figure 5.



- While efforts at the national level to develop corporate ties can be of some help, it is local linkages with firms that are key to job development. Firms recruit and make hiring decisions locally, and so the main use of a program developing corporate ties at the national level is to provide local contacts that sites can use for job development.